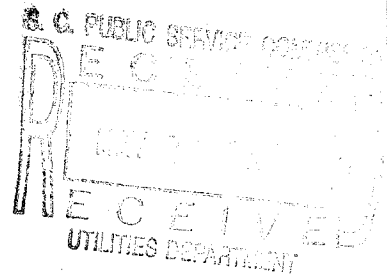


ORIGINAL

A. D. Hare Waterworks, Inc.
***Application for approval of an increase in its
water rates and charges.***



Docket No. 2001-137-W

***Testimony of
William O. Richardson
Utilities Department***

Public Service Commission of South Carolina

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.**

2 A. William O. Richardson, 101 Executive Center Drive, Columbia, South Carolina
3 29210. I am employed by the Public Service Commission of South Carolina,
4 Utilities Department, as the acting Chief of the Water and Wastewater Area.

5 **Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND**
6 **EXPERIENCE.**

7 A. I received a Bachelor of Science Degree in Electrical and Computer Engineering
8 from Clemson University in 1975. After graduation I was employed by Daniel
9 Construction Company as an Electrical Engineer in the Power Division. In
10 1978 I was employed by this Commission as an Engineer Associate II. I have
11 attended various courses and seminars related to engineering, life analysis and
12 accounting relationships. I am a member of the Water Environment
13 Association of South Carolina, a member of the American Water Works
14 Association and a member of the NARUC Staff Subcommittee on Water. I
15 have testified before this Commission in other proceedings involving fuel
16 adjustment clauses, purchased gas adjustments, and rate case proceedings of
17 electric, water and wastewater utilities.

18 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
19 **PROCEEDING?**

20 A. The purpose of my testimony is to set forth, in summary form, the Staff's
21 findings relative to the determination of the amount of additional operating
22 revenues that would result from the implementation of the proposed
23 schedules of rates and charges.

24 **Q. I SHOW YOU THE REPORT, TITLED, "COMMISSION STAFF REPORT,**
25 **A. D. HARE WATERWORKS, INC., SOUTH CAROLINA PUBLIC**
26 **SERVICE COMMISSION, DOCKET NO. 2001-137-W." ARE THE**
27 **FINDINGS OF YOUR REVIEW CONTAINED IN THIS REPORT?**

28 A. Yes, they are contained under the Utilities Department tab.

29 **Q. PLEASE EXPLAIN HOW YOU COMPILED THE INFORMATION IN YOUR**
30 **REPORT.**

1 A. By using the information provided by the Company in its Application and the
2 Company's responses to Staff's Data Requests and an audit of the Company's
3 books and records, Staff was able to determine the amount of additional
4 operating revenues which would be produced by the proposed rates.

5 **Q. PLEASE EXPLAIN EXHIBIT NO. 1 OF YOUR REPORT.**

6 A. Exhibit No. 1, page 1, is a summary of the currently approved rates and the
7 proposed rates.

8 **Q. PLEASE EXPLAIN EXHIBIT NO. 2 OF YOUR REPORT.**

9 A. Exhibit No. 2, on page 2 of the report summarizes the effect of the present
10 and proposed rates on the Company's operating revenue. Under the present
11 rates approved for the Company the present revenue is \$147,533. Using the
12 proposed rates, the Company would receive \$197,944, resulting in an
13 increase of \$50,411 or an increase of 34.2%. With the addition of the 34
14 new basic facilities charges, as requested by the customers, the Company
15 would receive an additional \$4,060 for a total increase in service revenues of
16 \$54,471 or 36.9%.

17 **Q. PLEASE EXPLAIN EXHIBIT NO. 3 OF YOUR REPORT.**

18 A. Exhibit No. 3, on page 3, summarizes the effect of the proposed rates and
19 charges on a customer's average monthly water bill using 5,916 gallons per
20 month. The requested increase in a residential and commercial customer's
21 average bill will be \$6.98 or 34.2%.

22 **Q. PLEASE EXPLAIN EXHIBIT NO. 4 OF YOUR REPORT.**

23 A. Exhibit No. 4, on pages 4 and 5, is the Business Office Compliance Review
24 Report for A. D. Hare Waterworks, Inc..

25 **Q. PLEASE EXPLAIN EXHIBIT NO. 5 OF YOUR REPORT.**

26 Exhibit No. 5 on page 6 is a review of service provided by the Company. As
27 noted on Exhibit No. 5, the Commission Staff has not received any protestant
28 letters or intervention by any other party. Page No. 6 is a review of the plant
29 inspections.

30 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

1 A. Yes it does.